

## REMARKS

Claims 1-9 and 16-18 are objected to under 35 USC §102(e) as being anticipated by Bondy, U.S. 2003/0046147 A1.

Claims 10, 11, and 19 are objected to under 35 USC §103(a) as being unpatentable over Bondy, U.S. 2003/0046147 A1.

Claims 12-15 and 20 are objected to under 35 USC §103(a ) as being unpatentable over Bondy, U.S. 2003/0046147 A1 in view of Dicks et al U.S. 2002/0007334 A1.

In view of the foregoing amendments and the following remarks, reconsideration of the above referenced application is respectfully requested.

The present invention as claimed comprises a core business facilitating a purchase by a member directly with an affiliate organization provider via a customizable purchasing platform. In contrast, Bondy teaches a subscriber purchasing directly from a core business, which core business in turn collects funds and purchases from the provider. From a revenue standpoint, no funds are transferred from the member to core business according to the present invention. Rather, only royalties are paid back from the provider to the core business, which may pass through some of the revenue to an Affinity partner.

With specific reference to Applicant's application, there is disclosed an electronic core business that contracts with Affinity organizations, who may have subset secondary Affinity organizations, each having members. The members are enabled as subscribers to purchase goods and services directly from an affiliate organization provider, such as clicking through the core business providing links to the contracted providers. For instance, the core business may include hyperlinks to contracted providers. The present invention achieves technical advantages in that the core business does not make the actual purchase of products and services from a provider,

nor are any funds transferred from the member to the provider handled by the core business. Rather, the present invention achieves technical advantages in that royalties are paid from the providers to the core business based on prearranged contractual relationships between the contracted providers and the core business. The members realize discounts by linking through the core business to make purchases from the contracted providers. Thus, the core business is a straight forward model that requires no processing to determine amounts due by the members or to a provider, nor are there any accounting requirements for tracking funds, handling funds, or transferring funds as a result of member purchases.

Referring to Applicant's specification on Page 11 lines 3-8, the plurality of members of an Affinity partner who subscribe to the Ifinity business system 100 can purchase products directly from the Ifiniti organizations 150, 152, 154 thru the core business 110. Referring to Page 14 line 14 – page 15 line 8, a template of the core business may be used to direct the member to a contracted provider of who sells goods and services directly to the member. This template is customizable so that it will look and feel like the web site for the Affinity partner or secondary Affinity partner to which the member belongs. With reference to Figure 5, and the specification on page 17 line 5 – page 18 line 3, the making of a purchase by a member from an Ifiniti organization results in the transfer of residual revenue from the Ifiniti organization to the Affinity organization for distribution to the Affinity partners.

Examples of multi-level Affinity partners are provided in the application as the Boy Scouts of America and the National Football League. Each of these organizations has secondary Affinity partners which are a subset of the first, such as district counsels in the case of the Boy Scouts of America, and teams as in the case of the NFL.

With reference to Bondy page 2 paragraph 23, there is disclosed an electronic retailing system, referred to as a e-tailing system, which e-tailing system sells products and services to a plurality of Affinity groups or organizations, and providing ISP services to the plurality of Affinity groups or organizations. A hyper-link to the e-tailing system itself may be implemented as an electronic store member or icon posted on the web page of the Affinity group web site. For comparison to the presently claimed invention, with reference to Figure 9, and specifically

paragraphs 35-37, this e-tailing system collects all payments directly from every individual purchaser, or the Affinity organization itself. Electronic orders may be processed in a predetermine interval or period and/or in a batch style so that processing or service cost can be considerable reduced. Reduced cost may be reflected in the prices, or shared with respective Affinity groups. Notably, and in contrast to the present invention, the e-tailing system of Bondy tracks all orders, collects all monies, and distributes all monies to the Affinity groups. In essence, this is a closed purchasing network for Affinity groups.

The present invention, in contrast, facilitates an open purchasing network, and links subscribers to previously contracted service providers, relying on the service providers to provide to pay the contractually agreed upon percentage of purchases by the members, as disclosed and claimed. Claim 1 specifically recites that the member may make purchases directly from the affiliate organization provider via the core business, rather than from the core business itself.

As recited in independent Claim 2, there is further recited that the affiliate organization provider provides a royalty to the core business as a function of the purchases made by the members with the affiliate organization provider. This feature is neither taught nor disclosed by Bondy.

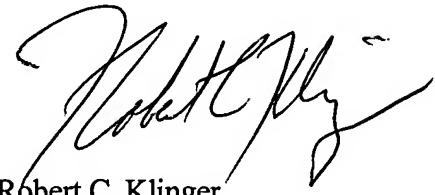
Dependent Claims 3-5 recite a multi-leveled Affinity partner hierarchy, where each Affinity partner has a plurality of members. This feature is also neither taught nor disclosed by Bondy.

Dependent Claims 10-13 recite that the first Affinity partners may receive either a stock option or portion of profits of the core business as a function of generated members of the respective Affinity partner. The prior art fails to teach or suggest such a revenue scheme.

For the foregoing reasons, all pending Claims 1-20 are believed to be in condition of allowance and a notice to this effect is respectfully requested.

If any other matters remain, the Examiner is encouraged to contact the undersigned attorney to resolve these matters by Examiner's amendment were possible.

Respectfully Submitted,



Robert C. Klinger  
Reg. No. 34,365  
Attorney for Applicant

Jackson Walker L.L.P.  
2435 North Central Expressway, Suite 600  
Richardson, Texas 75080  
(972) 744-2900  
(972) 744-2909 – Fax